



22 Cortlandt Street
New York, NY 10007
(212) 693-4900

IMPORTANT TERMS of our HOME EQUITY LINES OF CREDIT

THIS DISCLOSURE CONTAINS INFORMATION ABOUT OUR HOME EQUITY LINES OF CREDIT. THE TERMS FOR ALL PLANS ARE THE SAME EXCEPT FOR WHERE OTHERWISE INDICATED. YOU SHOULD READ IT CAREFULLY AND KEEP THIS COPY FOR YOURSELF.

Availability Of Terms

All terms described below are subject to change. If these terms change (other than the Annual Percentage Rate), and you decide, as a result, not to enter into an agreement with us, you are entitled to a refund of any fees you paid to us or anyone else in connection with your application.

Security Interest

We will take a Mortgage on your home ("Security Property"). You could lose your home if you do not meet certain obligations in your agreement with us.

Possible Actions

Termination

We may, subject to the governing law, terminate the plan, require payment in full of the entire outstanding balance in a single payment or cause the Security Property to be sold and the proceeds of such sale to be applied to your obligation to us if: (i) you fail to meet the terms of repayment; or (ii) you have committed fraud or made a material misrepresentation in connection with the account; or (iii) you act or fail to act in a way that adversely affects our security interest or other rights in the Security Property. Actions that adversely affect our security interest or other rights in the Security Property include, but are not limited to, the following: (a) you transfer title to the Security Property or sell the Security Property without our permission, (b) You fail to maintain required insurance on the Security Property, (c) you fail to pay taxes on the Security Property, (d) you permit the filing of a lien on the Security Property senior to our lien, (e) the sole borrower obligated on the plan dies, (f) the Security Property is taken through eminent domain, or (g) a prior lienholder forecloses. You agree to pay any reasonable costs of protecting, retaking, repairing or selling the Security Property.

Suspension

Your right to request additional advances may be suspended, or your maximum credit limit reduced, at our option, in the following instances: (1) you fail to make the scheduled payments due to us; (2) you fail to make timely payments to the holders of Mortgages senior to ours; (3) you fail to pay real property taxes prior to delinquency; (4) you fail to maintain the required property insurance; (5) the value of the Security Property declines significantly below the appraised value upon which we relied in approving your application; (6) we reasonably believe that your ability to meet your payment obligations is impaired because of a material change in your financial circumstances; (7) governmental action precludes our imposing the interest rate provided herein or adversely affects the priority of our security interest such that the value of our interest is less than 120% of your maximum credit limit; (8) the maximum interest rate under the plan is reached; (9) government regulatory authorities find that further advances under this plan constitute an unsafe and unsound practice; or (10) you are in default of any material obligation under the plan. When the condition which caused the suspension of advances or reduction of your maximum credit limit no longer exists, the original terms of your agreement will be reinstated. You understand that if your right to request additional advances is suspended or your maximum credit limit is reduced, you still owe us whatever sums you have already borrowed, all other charges under your agreement and applicable Finance Charges.

Home Equity Plans

We offer two (2) Home Equity Lines of Credit that differ based on the maximum Combined-Loan-To-Value (CLTV) ratio for your loan (the sum of the current outstanding debts secured by liens against the Security Property plus the home equity line of credit maximum credit limit established for your loan, divided by the value of the Security Property). Plans with a CLTV of 80.00% and less will receive an introductory interest rate, whereas plans with a CLTV in excess of 80.00% will not receive an introductory interest rate. Generally speaking the lower the CLTV the lower your interest rate, and the higher the CLTV the higher your interest rate. Not all applicants may qualify for all Plans.

Minimum Payment Requirements

You can obtain credit advances for 120 months (the draw period). During the draw period, payments will be due on a monthly basis and will be established at the close of each billing cycle. The payment due will be an amount equal to the greater of: (i) all accrued yet unpaid finance charges due (rounded to the nearest \$1.00); or (ii) \$100.00. Your payment will also include any past due amounts owed from prior billing cycles. If the unpaid balance of your account is less than the amount calculated as described above, then your payment will equal your unpaid balance.

After the draw period ends, you will no longer be able to obtain credit advances and you must repay your outstanding account balance (the repayment period). The length of the repayment period will depend on the date and the amount of your last advance but in no event will exceed 240 months. During the repayment period, your payment will also be established at the close of each billing cycle. The payment due will be an amount equal to the greater of: (i) the amount necessary to fully amortize the then-unpaid principal balance of your Account by the agreement maturity date (which payment amount will be rounded to the nearest \$1.00); or (ii) \$100.00. Your payment will also include any past due amounts owed from prior billing cycles. If the unpaid balance of your account is less than the amount calculated as described above, then your minimum periodic payment will equal the unpaid balance of your account.

Minimum Payment Examples

CLTV 80.00% and less

If you made only the minimum payments and took no other credit advances, it would take 126 months to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 4.50%. During that period, you would make 120 monthly payments of \$100.00, followed by 5 monthly payments of \$100.00, and a final payment of \$57.34.

CLTV 80.01% and greater

If you made only the minimum payments and took no other credit advances, it would take 130 months to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 5.00%. During that period, you would make 120 monthly payments of \$100.00, followed by 9 monthly payments of \$100.00, and a final payment of \$63.36.

Fees And Charges

To open a line of credit, you may have to pay certain fees to third parties. These fees generally total from \$500.00 to \$10,500. If you ask, we will give you an itemization of the fees you may have to pay to third parties.

Insurance

You must carry insurance on the property that secures this plan.

Minimum Draw And Balance Requirements

The minimum credit advance you can receive is \$100.00.

Tax Deductibility

You should consult a tax advisor regarding the deductibility of interest and charges for the line of credit.

Variable Rate Feature

Following the expiration of any introductory rate period, these plans have a Variable Rate feature. The Annual Percentage Rate (corresponding to the periodic rate), and the amount of your minimum payments can change as a result. The Annual Percentage Rate includes only interest and no other costs. The Annual Percentage Rate is based on the value of an index. The index is the highest Prime Rate as published in the Money Rates Section of The Wall Street Journal in effect on the last day of each calendar month. To determine the Annual Percentage Rate that will apply to your line of credit, we add a margin to the value of the index. Ask us for the current index value, margin, and Annual Percentage Rate. After you open a line of credit, rate information will be provided in periodic statements that we send you.

Rate Changes

Your Annual Percentage Rate can change on the day that any introductory rate period expires and on the 1st day of each calendar month of each year. There is no limit on the amount by which the interest rate can change during any one year period other than the minimum and maximum Annual Percentage Rates that can apply at any time to this account.

The maximum **ANNUAL PERCENTAGE RATE** at any time will be an amount equal to the sum of your initial interest rate plus six percentage points (6.00%). Ask us for the specific rate limitations that will apply to your line of credit. The minimum **ANNUAL PERCENTAGE RATE** at any time is 3.00%.

Introductory Rate

If you have an introductory rate, for the 12-month period immediately following the Date of Agreement, the **ANNUAL PERCENTAGE RATE** that will apply to your account will be 2.99%*. Subsequently, your account will be subject to the Variable Rate provisions described herein. The initial Annual Percentage Rate is discounted; it is not based on the index and margin used for later adjustments.

* This represents an introductory rate that we have used recently.

Maximum Rate And Payment Examples**CLTV 80.00% and less**

If you had an outstanding balance of \$10,000.00 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 10.50% would be \$100.00. This Annual Percentage Rate could be reached during the 13th month of the draw period.

If you had an outstanding balance of \$10,000.00 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 10.50% would be \$100.00. This Annual Percentage Rate could be reached during the 2nd month of the repayment period.

CLTV 80.01% and greater

If you had an outstanding balance of \$10,000.00 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 11.00% would be \$100.00. This Annual Percentage Rate could be reached during the 2nd month of the draw period.

If you had an outstanding balance of \$10,000.00 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 11.00% would be \$103.23. This Annual Percentage Rate could be reached during the 2nd month of the repayment period.

Historical Example

The following table shows how the Annual Percentage Rate and the monthly payments for a single \$10,000.00 credit advance would have changed based on changes in the index since 2008. The index is from The Wall Street Journal and is calculated on the first business day of May of each year. While only one payment amount per year is shown, payments may have varied during the year. The table assumes that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during the year. It does not necessarily indicate how the index or your payments will change in the future.

Year	Index	Margin		ANNUAL PERCENTAGE RATE		Payment Period	Minimum Payment	
		(1)	(2)	(1)	(2)		(1)	(2)
2008	5.00	1.00	1.50	2.99%(3)	6.50%	DRAW	\$100.00(4)	\$100.00(4)
2009	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2010	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2011	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2012	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2013	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2014	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2015	3.25	1.00	1.50	4.25%	4.75%	DRAW	\$100.00(4)	\$100.00(4)
2016	3.50	1.00	1.50	4.50%	5.00%	DRAW	\$100.00(4)	\$100.00(4)
2017	4.00	1.00	1.50	5.00%	5.50%	DRAW	\$100.00(4)	\$100.00(4)
2018	4.75	1.00	1.50	5.75%	6.25%	REPAYMENT	\$100.00(4)	\$100.00(4)
2019	5.50	1.00	1.50	6.50%	7.00%	REPAYMENT	\$0.00	\$0.00
2020	3.25	1.00	1.50	4.25%	4.75%	REPAYMENT	\$0.00	\$0.00
2021	3.25	1.00	1.50	4.25%	4.75%	REPAYMENT	\$0.00	\$0.00
2022	3.50	1.00	1.50	4.50%	5.00%	REPAYMENT	\$0.00	\$0.00

- (1) This represents a Margin (which we have recently used), Annual Percentage Rate and Minimum Payment for our lines of credit with a CLTV of 80.00% and less.
- (2) This represents a Margin (which we have recently used), Annual Percentage Rate and Minimum Payment for our lines of credit with a CLTV of 80.01% and greater.
- (3) This represents the introductory rate.
- (4) This represents the \$100.00 minimum payment.

The cost of any title insurance and/or any mortgage recording tax shall be based on the maximum amount of the credit line available to you, whether advanced or not. **IF YOUR LOAN WILL BE SECURED BY A JUNIOR LIEN MORTGAGE, YOU SHOULD CHECK WITH YOUR LEGAL ADVISOR AND WITH OTHER MORTGAGE LIEN HOLDERS AS TO WHETHER ANY PRIOR LIENS CONTAIN ACCELERATION CLAUSES WHICH WOULD BE ACTIVATED BY A JUNIOR ENCUMBRANCE.**